

CODE OF CONDUCT AGREEMENT

CODE OF CONDUCT AGREEMENT This Code of Conduct is a part of the KLOUD-E-JUICE (**hereafter referred to as “the seller”**) Reseller Agreement. It MUST be signed and followed by any Buyer who wishes to resell the Products to make this agreement binding. Failure to follow this Code of Conduct Agreement will void any and all agreements or contracts the Buyer may have with the Seller for the purpose of reselling the Products. The Seller will not be responsible for aiding the Buyer in any situation that arises due to a failure to follow this Code of Conduct Agreement. This Code of Conduct Agreement extends to, and holds responsible in the same ways any person or business entity that resells the Product after purchasing it from both the Buyer AND the Seller.

IMPORTANT

SELLERS OF PRODUCTS CONTAINING NICOTINE MUST HAVE IT LOCKED UP AND OUT OF REACH OF A CUSTOMER BEFORE IT IS PAID FOR. IT MUST ALSO BE VISIBLY HIDDEN FROM CHILDREN UNDER THE AGE OF 19. AVOID having your product legally seized by a tobacco or health enforcement officer by strictly following the Kloud-E-Juice Code of Conduct Agreement. Kloud-E-Juice E-Juice products are sold as RECREATIONAL PRODUCTS. It is NOT a health product because we **do not claim to make any change to a user’s** physical or mental state. If you advertise or verbally claim that the product has any health benefits, a health enforcement officer may legally seize your product and Kloud-E-Juice will cancel your reseller contract. The nicotine is exempt from the Food and Drug Act because it **is sold “in a form to be administered orally by means of an inhalation device delivering 4 mg or less of nicotine per dosage unit”** **There is no tobacco in our products, so it is illegal** for a tobacco enforcement officer to seize your product because it is in no way a tobacco product nor is it governed by any tobacco law.

If the buyer wishes to sell the Product to a reseller (not an end user customer), it is the Buyer’s responsibility to have the reseller sign and enter into this Code of Conduct Agreement. Kloud-E-Juice will enforce this agreement on the actions of both the Buyer AND it’s resellers.

- Make no health claims. Make no claims in ANY way to ANY form of change in the mental or physical form or state of any human or living thing.
- SELLERS OF PRODUCTS CONTAINING NICOTINE MUST HAVE IT LOCKED UP AND OUT OF REACH OF A CUSTOMER BEFORE IT IS PAID FOR. IT MUST ALSO BE VISIBLY HIDDEN FROM CHILDREN UNDER 19. If you have a clear case with nicotine bottles, you must place non-nicotine bottle in front of them to hide them from sight.
- Make no claims to effectiveness. Only refer, with proper reference methods, to media quotes, empirical studies, written and signed client testimonials, and media articles.
- Do not alter labels, packaging, or any visual or physical form of the products or their packaging, marketing, or representation.
- Do not alter the ingredients of the liquids or packaging in any way, other than shaking for the purpose of evenly distributing the pre-existing ingredients within a single product bottle.

- **DO NOT use the words “quit”, “safe”, “safer”, “healthier”, “healthy” or “cessation” or “better” when referring to the products in any way including, but not limited to: website, print media, signage, video, audio, that in way refer to the product or its trademarks.**
- **DO use the words “Switch” and “alternative” and “choice”**
- Only list factual data about smoking or tobacco cigarettes AND do so separately from information on e-cigarettes and vaping.
- **Do not use the word “nicotine” in any form of communication or written, visual, or audio material WHEN referring to the product or its trademark OUTSIDE of a point of sale “situation” where the minimum age of the recipient of the information can be confirmed over 18**
- Only sell nicotine products to existing smokers and vapers who have already developed the habit of smoking or vaping.
- All contract terms, pricing, and proprietary information is confidential and to be used solely for the purpose of your relationship with Kloud-E-Juice.
- Do not reply to any contact from Health Canada or other department, agency, without written consent from the Seller.
- Do not make any claims to the reliability or effectiveness of any competing **e-liquid product**. **They are only to be referred to as an “alternative”** product. To clarify, **DO NOT say** that a competing product is worse or problematic. Through our list of selling points, people will be educated to know what to avoid in competing products without us directly attacking the competing products.
- All forms of communication that mention e-Juice must have a legal disclaimer following the given example below:

Legal Exclaimer Example:

WARNING: Electronic cigarette products are intended only for smokers who are at or above legal age. You must be over the legal age to purchase and/or use this product. Electronic cigarettes are purely for recreational purpose, and not for treating nicotine addiction, not intended to diagnose, treat, cure or mitigate any disease or condition. Always consult with your medical doctor before using any of our products. Please note that nicotine is addictive, and is toxic by direct swallowing or by coming in contact with the skin. Nicotine is known to cause birth defects and reproductive harm. Please keep it out of reach of children and pets.

IN WITNESS HEREOF, Seller and Buyer have caused this Agreement to be executed by their duly authorized representatives.

Kloud-E-Juice (PRINT): _____

By (SIGN): _____ Date: _____

BUYER

• (PRINT): _____

• By (SIGN): _____ Date: _____